

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Hans F. Larsen
Jennifer A. Maguire

SUBJECT: SEE BELOW

DATE: 02-08-10

Approved

Date

2/16/10

COUNCIL DISTRICT: 3

SNI AREA: University

**SUBJECT: GRANT APPLICATION FOR SAN CARLOS MULTIMODAL
STREETScape IMPROVEMENTS AND ADOPTION OF
APPROPRIATION ORDINANCE AMENDMENTS IN THE
CONSTRUCTION EXCISE TAX FUND**

RECOMMENDATION

1. Adoption of a resolution authorizing the City Manager, or designee to submit a grant application to the Metropolitan Transportation Commission (MTC) for the 2010 Regional Transportation Improvement Program (RTIP) grant, in the amount of \$1,369,000, with a local match of \$343,000; and negotiate and execute all documents necessary to effectuate the grant.
2. Adoption of the following Appropriation Ordinance amendments in the Construction Excise Tax Fund:
 - a. Establish an appropriation to the Department of Transportation for the San Carlos Multimodal Streetscape Improvements project by \$343,000; and
 - b. Decrease the Ending Fund Balance by \$343,000.

OUTCOME

Grant funding will provide enhanced pedestrian accessibility to public transit including Santa Clara Valley Transportation Authority (VTA) light rail and bus system that will link San José State University (SJSU) and Downtown San José and supports the City goal to provide viable transportation choices.

BACKGROUND

The Metropolitan Transportation Commission (MTC), as the Metropolitan Planning Organization (MPO) for the nine counties of the San Francisco Bay region, provides discretionary federal and state transportation funds such as the Regional Transportation Improvement Program (RTIP) for qualifying programs through the VTA. One such program is the Community Design and Transportation (CDT) Capital Program. This is a reimbursable grant program. The CDT Capital Program supports transportation projects that provide connections with transit facilities, employ innovative and high-quality design, improve the pedestrian environment, enhance economic vitality, make better use of the land, infrastructure, and resources, and improve community connectivity, livability, sustainability, and sense-of-place.

Based on these conditions, the City and the San Jose Redevelopment Agency jointly submitted the San Carlos Multimodal Streetscape Improvements grant proposal for the south side of the street from Second Street to Fourth Street (Project). A map of the Project location is attached. A primary goal of the Project is to encourage pedestrian mobility by providing accessible connections between transit, bike facilities, businesses, SJSU, housing and downtown. The proposed improvements will create a safer pedestrian route and provide a more pedestrian-friendly environment between public transportation and SJSU. This Project is also part of an overall plan to make pedestrian improvements in downtown San José.

The Project encompasses pedestrian-oriented improvements along the south side of San Carlos Street between Second Street and Fourth Street to enhance pedestrian accessibility to public transit including VTA's light rail and bus system that will link SJSU to the SoFA District and the Downtown Core. The scope of the Project includes narrowing the roadway width, widening the sidewalk, enhanced crosswalks, upgrades of wheelchair ramps to ADA compliance, street level lighting, in-fill street trees, drainage facilities, asphalt & concrete work, traffic signal relocation, site furniture, bus stop enhancements, directional/destination signage and striping. The total cost of the project is estimated at \$1,712,000.

ANALYSIS

The City received notice from VTA that the San Carlos Multimodal Streetscape Improvements Project from Second Street to Fourth Street is qualified to receive \$1,369,000 of CDT funding. Therefore, VTA will submit this recommendation for grant funds administered by the MTC.

If awarded by MTC, the total grant amount of \$1.369 million would come to the City through the 2010 RTIP funding source. The RTIP grant requires a \$343,000 local share of funds. The grant application was submitted jointly by the City and the San Jose Redevelopment Agency (SJRA), with the SJRA funding the local match. However, with the current fiscal condition of the SJRA, they have determined that they are no longer able to fund the local match. In order to leverage this grant funding, the local match requirement will now be funded from the Construction Excise Tax Fund. Since this is a reimbursable grant, the Traffic Capital Program will also provide the necessary funds to bid and award the construction contract for the project. However, it should be

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noted that with the recent decline in revenue collections in this program, it may be necessary to reprioritize the projects in the out years of this program in order to fund this project. Staff will invoice MTC on a monthly basis to receive reimbursement payments from MTC.

At this time, to formally accept grant applications from the City, MTC needs the City Council to adopt the recommended resolution authorizing the City Manager, or designee, to execute and submit the grant applications and negotiate and execute all grant documents necessary to effectuate the grants. Upon receiving the City Council's resolution and the City's grant application, MTC can obligate the funds through the Transportation Improvement Program (TIP) amendment. Attachment 2 to this memorandum is the sample resolution required by MTC.

EVALUATION AND FOLLOW-UP

This project will provide enhanced pedestrian accessibility to public transit including VTA's light rail and bus system that will link SJSU and Downtown San José and supports the City goal to provide viable transportation choices.

No additional follow-up actions with the Council are expected at this time. The Project will be designed and bid documents prepared in 2010 with the local matching funds. The grant funds will be used for construction of the improvements. Staff will report back to Council when the project will be awarded for construction in the Spring of 2011.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

While this item does not meet any of the criteria, this memorandum will be posted on the City's website for the March 2, 2010 Council agenda.

COORDINATION

Preparation of this report was coordinated with the City Attorney's Office, the Department of Planning, Building and Code Enforcement, and the San Jose Redevelopment Agency.

FISCAL/POLICY ALIGNMENT

The recommended action aligns with the Transportation and Aviation Services CSA Outcome related to providing viable transportation choices.

COST SUMMARY/IMPLICATIONS

- 1. AMOUNT OF RECOMMENDATION: \$1,712,000

- 2. COST OF PROJECT:
 - Project Delivery \$489,000
 - Construction \$1,019,000
 - Contingency \$204,000
 - TOTAL PROJECTS COSTS **\$1,712,000****

- 3. SOURCES OF FUNDING:
 - 465 – Construction Excise Tax Fund (local match)
 - 429 – Building and Structure Construction Tax Fund (project and grant funding)

- 4. FISCAL IMPACT: The proposed operating and maintenance costs of this project have been reviewed and will have no significant impact on the General Fund operating budget.

The recommendations in this memo would initiate the process required for the MTC to release the grant funds to the City of San José in the amount of \$1,369,000. Also, appropriation actions are recommended in this memo to fund the local match as required for the grant in the amount of \$343,000 which will be funded from the ending fund balance in the Construction Excise Tax Fund. Additional recommendations to appropriate and recognize the grant funding will be brought forward for Council approval as part of the 2011-2015 Proposed Traffic Capital Improvement Program.

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BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the local match recommended as part of this memorandum.

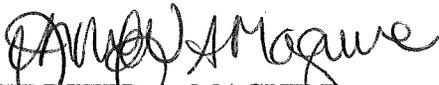
Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Project	2009-2010 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
Recommended Budget Action						
465	8999	Ending Fund Balance	\$343,000*	\$343,000	N/A	10/20/09, Ord. No. 28653

* \$343,000 of the \$1,845,300 in the Ending Fund Balance would be allocated to this project.

CEQA

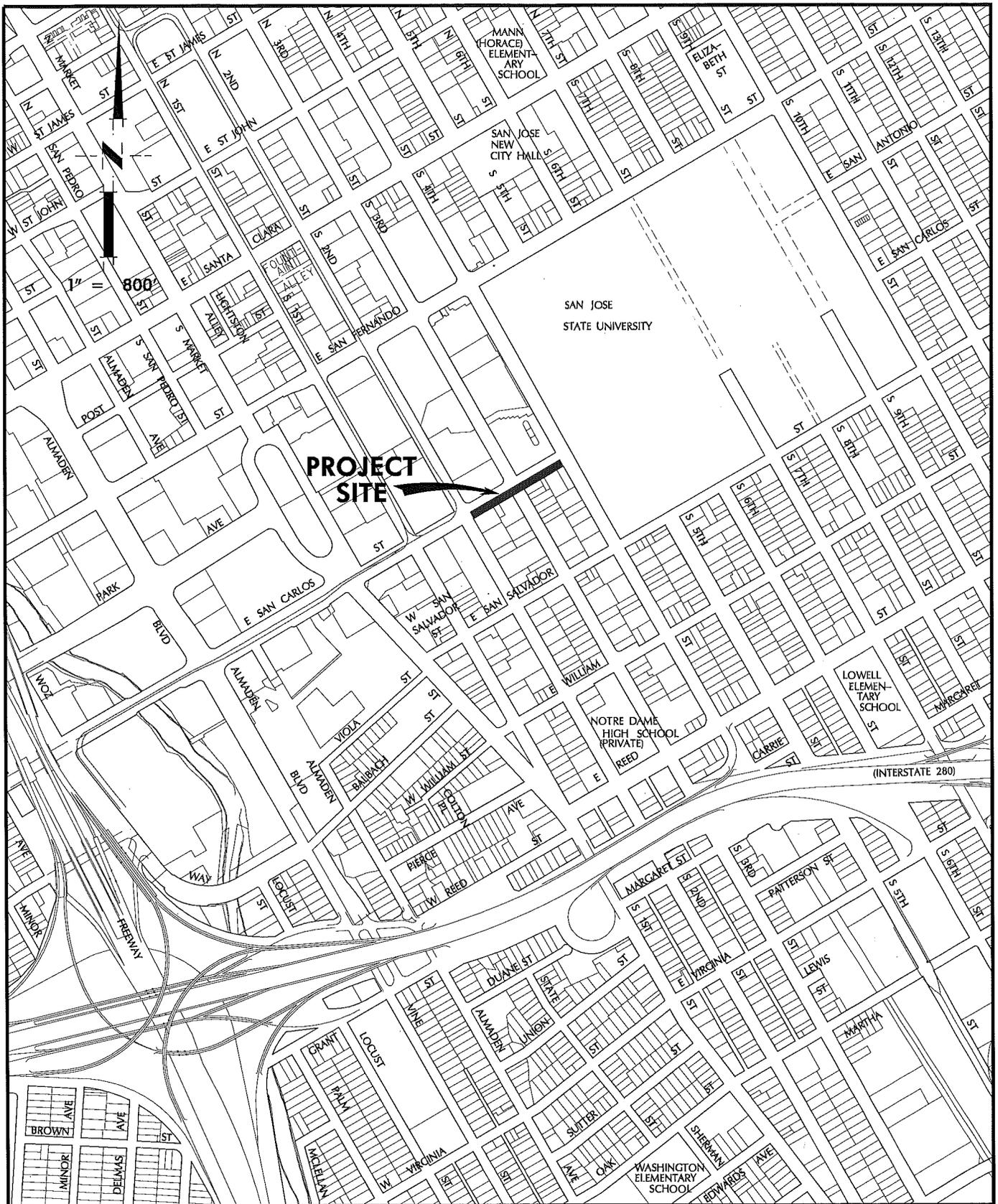
Re-use of the Downtown Strategy SEIR, Resolution No. 68839, File No. PP03-254


HANS F. LARSEN
Acting Director of Transportation


JENNIFER A. MAGUIRE
Budget Director

For questions please contact MANUEL PINEDA, ACTING DEPUTY DIRECTOR, at 975-3295.

Attachments



VICINITY MAP
San Carlos Multimodal Streetscape Improvements
From Second St. to Fourth St.

CITY OF SAN JOSE
DEPARTMENT OF TRANSPORTATION
JANUARY 2010